

Narrative

General Information

County Name: HARRISON

Person Performing Ratio Study: KEN SURFACE

Email Address: ken@nexustax.com

Phone Number: 317-753-5555

Sales Window (e.g. 1/1/19 to 12/31/19):

Sales from the period of 1/1/19 through 12/31/219 was the period used for all groupings. The following analysis were expanded to include 2018 sales.

Residential Vacant: The grouping of “RVcountyA” Blue River, Jackson, Morgan, Spencer was expanded due to limited sales. A total of 7 sales were included from 2018 within this grouping. The grouping of “RVcountyB” Boone, Heth, Taylor, Washington, Webster was expanded due to limited sales. A total of 5 sales were include from 2018 within this grouping. All sales from 2018 that could be included within these groups were included

Improved Residential: The grouping “IRHethWash” was expanded due to limited sales. A total of 4 sales were included from 2018 within this grouping. Within the study for Taylor township, three (3) 2018 sales were included. All sales from 2018 that could be included in these two studies were included.

There was no time adjustment of any sales outside of the mandated time period as there isn't enough supporting evidence to accurately adjust with confidence. Very limited sales and zero paired sales.

Due to less than 5 sales within 2019 and no valid sales within the immediate time frame that were available to increase the count to at least 5 sales the study of this class was not completed.

Groupings

The groupings for statistical purposes took place are:

Improved Commercial: All townships were grouped together with the exception of Harrison, which stood alone. The grouping of the remainder townships resulted in only 8 sales

Residential Vacant: Due to limited number of sales, the following townships were grouped together (Blue River, Jackson, Morgan, Spencer). These townships all share the same school corporation. The following townships were grouped together (Boone, Heth, Taylor, Washington, Webster). These townships all share the same school corporation.

Improved Residential: The townships of Heth and Washington were combined together due to limited sales. These two townships share the same school corporation.

AV Increases/Decreases

If applicable, please list any townships within the major property classes that either increased or decreased by more than 10% in total AV from the previous year. Additionally, please provide a reason why this occurred. The calculation for the change uses the AV from the prior year with the prior year property class and the AV from the current year with the current year property class.

Property Type	Townships Impacted	Explanation
Commercial Improved	Blue River	Increase in parcel count and area was reassessed plus experienced new construction
	Franklin	Increased Parcel count, classification changes from last year, reassessment and new construction
	Harrison	Increased parcel count, classification changes from last year, most of the classification changes were changing from a residential class code to class code 419, “other commercial housing” – rentals. New construction took place and one exempt parcel switched to commercial class. One of the taxing districts within this township was reassessed
	Jackson	10 parcels were moved from class code 520 419 “other commercial housing” – rentals
	Morgan	14 parcels were moved from class code 520 to 419 “other commercial housing” – rentals
	Spencer	2 parcels moved from class code 520 to 419, accounting for half of the total increase
	Washington	Increase of 1 parcel, changing from exempt to commercial

Commercial Vacant	Blue River Franklin	Township had zero parcels assigned to this classification last year. Parcels were assigned to vacant residential last year An increase in parcel count as in previous years, parcels were previously assigned as either residential or AG
Industrial Improved	Blue River Franklin	3 parcels were moved into this classification, an additional parcel increased by \$77,700 due to reassessment 1 new industrial new construction project took place, parcel was previously vacant ag
Industrial Vacant	Blue River Harrison	Township had zero parcels assigned to this classification last year – Parcels switched from AG class code to Vacant Industrial Decrease was due to 15 parcels being reclassified as exempt
Residential Improved	Franklin	Increase of 120 parcels, of which 98 were new construction projects adding \$18,672,800 AV
Residential Vacant	Washington	12 parcels moved to the following (1) AG, (11) improved residential class codes, resulting in loss of AV to this class

Cyclical Reassessment

Please explain in the space below which townships were reviewed as part of the current phase of the cyclical reassessment.

- The entire Townships of Blue River, Franklin and Washington were completed
- The taxing district “008” Corydon Town, within the township of Harrison was completed
- Various other parcels throughout the county as defined in the reassessment plan were also completed
- See the Harrison Workbook file for a complete listing of parcels coded for this year’s cyclical reassessment

The land order was completed with various updates made where deemed appropriate.

Comments

When determined appropriate, the standard operating procedure (SOP) for making effective age changes is based upon the following:

- Additions – compute an effective age based upon utilizing the original year constructed, the original square footage, the additional square footage added and any additional renovations taking place in the year of construction establishing a weighted average of all the components of value.
- Remodels/Renovations – compute an effective age based utilizing the original year constructed, the percentage of the entire house that was renovated, utilizing the DLGF percentage of completion chart to assist in establishing a weighted average of all the components of value).

The county relies on its building permit system to discover new construction

IAAO Ratio Study standards indicate that “outlier ratios” can result from any of the following:

1. An erroneous sale price
2. A nonmarket sale
3. Unusual market variability
4. A mismatch between the property sold and the property appraised
5. An error in the appraisal of an individual parcel
6. An error in the appraisal of a subgroup of parcels
7. Any of a variety of transcription or data handling errors in preparing any ratio study

Outliers should be:

1. Identified
2. Scrutinized to validate the information and correct errors
3. Trimmed if necessary, to improve sample representativeness

As a result, there were individual parcels that met these guidelines and were trimmed. Reference the file titled Harrison Sales Reconciliation 01_04_2020 County Response for those sales that were trimmed.